

Company No.: 662315-U

T7 GLOBAL BERHAD (Incorporated in Malaysia)					
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2018 (the figures have not been audited)					
	2018 Current Quarter 31-Dec (RM'000)	2017 Preceding Quarter 31-Dec (RM'000)	2018 Current Year Cumulative to Date 31-Dec (RM'000)	2017 Preceding Year Cumulative to Date 31-Dec (RM'000)	Changes (%)
Continuing Operations					
Revenue	44,874	102,740	210,439	204,495	3%
Cost of Sale	(34,371)	(90,033)	(179,811)	(179,744)	0%
Gross (Loss)/Profit	10,503	12,707	30,628	24,751	24%
Other Income	3,109	13,157	14,166	14,299	-1%
Operating Expenses	(10,153)	(19,550)	(35,056)	(29,196)	20%
Finance Cost	(509)	(93)	(1,596)	(473)	237%
Share of Profit/(Loss) From Joint Venture	8	(188)	71	427	-83%
(Loss)/Profit Before Taxation From Continuing Operations	2,958	6,033	8,213	9,808	-16%
Taxation: Company and Subsidiary Companies	1,825	(4,146)	2,614	(4,146)	-163%
(Loss)/Profit For The Year From Continuing Operations	4,783	1,887	10,827	5,662	91%
Discontinued Operations					
Profit/(Loss) For The Year After Tax	-	-	-	-	
Net Profit For the Year	4,783	1,887	10,827	5,662	91%
Attributable to:					
Equity Holders of the Company	3,374	166	7,663	1,883	307%
Non-Controlling Interest	1,409	1,721	3,164	3,779	-16%
	4,783	1,887	10,827	5,662	91%
(Losses)/Earnings Per Share					
Basic					
- Continuing Operations	1.16	0.47	2.60	1.47	77%
- Discontinued Operations	-	-	-	-	
	1.16	0.47	2.60	1.47	77%
Diluted					
- Continuing Operations	1.16	0.47	2.60	1.47	77%
- Discontinued Operations	-	-	-	-	
	1.16	0.47	2.60	1.47	77%

Company No.: 662315-U

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018
(the figures have not been audited)

	2018 Current Quarter 31-Dec (RM'000)	2017 Preceding Quarter 31-Dec (RM'000)	2018 Current Year Cumulative to Date 31-Dec (RM'000)	2017 Preceding Year Cumulative to Date 31-Dec (RM'000)
Net Profit For the Year	4,783	1,887	10,827	5,662
Other Comprehensive Income/(Loss): <i>Items that will be Reclassified Subsequently to Profit or Loss</i>				
Exchange Differences on Translating Foreign Operations	(1,423)	(808)	0.1	(456)
Fair Value Changes in Short Term Investment	(1,988)	2,252	(3,338)	2,253
	(3,411)	1,444	(3,338)	1,797
Total Comprehensive Income For The Year	1,372	3,331	7,489	7,459
Attributable to:				
Equity Holders of the Company	(37)	1,373	4,325	3,680
Minority Interest	1,409	1,958	3,164	3,779
	1,372	3,331	7,489	7,459

Company No.: 662315-U

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018
(the figures have not been audited)

	As at 31-Dec-18 Pre-Audit (RM'000)	As at 31-Dec-17 Audited (RM'000)
NON-CURRENT ASSETS		
Investment in Associate Companies	-	1
Investment in Joint Venture	1,239	1,202
Other Investment	7,306	6,768
Investment Properties	16,468	-
Property, Plant and Equipment	38,433	29,479
Intangible Assets	2,137	2,410
Other Receivables	-	2,697
Deferred tax asset	7,036	-
Total Non-Current Assets	72,619	42,557
CURRENT ASSETS		
Inventories	4,204	9,695
Trade Receivables	51,144	80,311
Other Receivables	35,100	8,039
Contracts Assets	41,004	31,854
Amount due from Joint Venture	13,180	3,504
Cash and Bank equivalents	36,349	84,062
Tax Recoverable	677	1,519
Other Investments	-	3,489
Total Current Assets	181,658	222,473
Assets classified as held for sale	1,285	21,593
Total Assets	255,561	286,622
NON-CURRENT LIABILITIES		
Borrowings	15,226	8,647
Deferred Tax	868	405
Minority Interest	16,334	12,896
Total Non-Current Liabilities	32,429	21,949
CURRENT LIABILITIES		
Trade Payables	41,384	54,559
Other Payables and Accruals	6,074	36,069
Contract Liabilities	4,843	25,874
Hire Purchase and Lease Payables	1,689	897
Short term borrowing	24,679	6,762
Tax payables	1,972	1,566
Total Current Liabilities	80,641	125,727
Total Liabilities	113,070	147,676
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share Capital	120,505	120,505
Reserves	28,313	22,837
Treasury Shares	(6,326)	(4,396)
Total Equity	142,492	138,946
Total Liabilities and Equity	255,562	286,622

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T7 GLOBAL BERHAD
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**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018
(the figures have not been audited)**

	2018 Current Quarter 31-Dec (RM'000)	2017 Preceding Year 31-Dec (RM'000)	2018 Current Year Cumulative to Date 31-Dec (RM'000)	2017 Preceding Year Cumulative to Date 31-Dec (RM'000)
Continuing Operations				
Gross interest income	582	171	1,546	432
Gross interest expenses	(72)	(90)	(2)	155
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets per shares attributable to ordinary equity holders of the parent	0.34		0.36	

	YTD DEC 2018	YTD DEC 2017
Net Assets	142,492	138,946
Adjusted weighted average number of ordinary shares	415,744	385,387
	0.34	0.36

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T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018
(The figures have not been audited)

	Equity Attributable to Equity Holders of the Company											
	Distributable					Non-Distributable						
	Share Capital RM'000	Accumulated Losses RM'000	Share Premium RM'000	Capital Reserves RM'000	Available for sale Reserves RM'000	Foreign Currency Translation Reserve RM'000	Investment Revaluation Reserve RM'000	Share Issuance Scheme Reserve RM'000	Treasury Shares RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance as at 01.01.2018	120,505	(15,345)	-	37,489	2,252	(1,579)	21	-	(4,397)	138,945	12,896	151,841
Effect on MFRS 9	-	(2,814)	-	-	2,386	-	-	-	-	(428)	-	(428)
issuance of treasury shares	-	-	-	-	-	-	-	-	(1,929)	(1,929)	-	(1,929)
Profit for the financial year	-	7,663	-	-	-	-	-	-	-	7,663	-	7,663
Total comprehensive income/(loss) for the year	-	-	-	-	(3,339)	-	-	-	-	(3,338)	-	100
Foreign Currency translation differences for foreign operation	-	-	-	-	-	1,579	-	-	-	1,579	-	1,579
Transition to no-par regime	-	-	-	-	-	-	-	-	-	-	-	-
Reversed of Employee Benefits Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Effects Of Impairment of Treasury Share	-	-	-	-	-	-	-	-	-	-	-	-
Exercise of Warrant	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31.12.2018	120,505	(10,456)	-	37,489	1,300	0	21	-	(6,326)	142,432	16,334	158,766

TANJUNG OFFSHORE BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017
(The figures have been audited)

	Equity Attributable to Equity Holders of the Company											
	Distributable					Non-Distributable						
	Share Capital RM'000	Accumulated Losses RM'000	Share Premium RM'000	Capital Reserves RM'000	Available for sale Reserves RM'000	Foreign Currency Translation Reserve RM'000	Investment Revaluation Reserve RM'000	Share Issuance Scheme Reserve RM'000	Treasury Shares RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance as at 01.01.2017	190,773	(112,761)	68,739	(19,579)	-	(1,123)	20	-	(4,397)	121,652	9,074	130,726
Total comprehensive income/(loss) for the year	-	1,863	-	-	2,262	(458)	1	-	-	3,680	3,779	7,459
issuance of shares pursuant to private placement	13,613	-	-	-	-	-	-	-	-	13,613	-	13,613
Reduction of Par Value (from RM 0.50 to RM 0.10)	(152,618)	95,553	-	57,066	-	-	-	-	-	1	-	1
Transfer to reserve classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition/Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Transition to no-par regime	68,737	-	(68,739)	2	-	-	-	-	-	-	43	43
Exercise of Warrant	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31.12.2017	120,505	(15,345)	-	37,489	2,262	(1,579)	21	-	(4,397)	138,946	12,896	151,842

Company No. 662315-U

T7 GLOBAL BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018
(The figures have not been audited)

	As at 31-Dec-18 (RM'000)	As at 31-Dec-17 (RM'000)	Changes (%)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation from continuing operations	8,213	9,808	-16%
Total profit before taxation	8,213	9,808	-16%
Adjustments:			
Non-cash items	618	2,196	-72%
Non-operating items	(1,603)	(1,200)	34%
Operating profit before changes in working capital	7,228	10,804	-33%
Changes in working capital			
Net change in current assets	(17,424)	(58,541)	-70%
Net change in current liabilities	(46,781)	76,496	-161%
Cash (used in)/generated from operating activities	(56,977)	28,759	-298%
Tax paid	(3,136)	(1,160)	170%
Net cash (used in)/generated operating activities	(60,113)	27,599	-318%
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received	1,546	432	258%
Net cash inflow from disposal of subsidiary company	-	84	
Acquisition of other investment	(2,760)	(2,144)	
Addition of patent	-	(1)	
Dividend received	58	87	-33%
Proceed from disposal of property, plant and equipment	33,356	176	
Proceed from redemption of other investment	1,501	-	#DIV/0!
Acquisition of subsidiary company	274	-	#DIV/0!
Purchase of property, plant and equipment	(39,255)	(5,674)	592%
Purchase of investment	-	(10,113)	
Net cash used in investing activities	(5,280)	(17,153)	-69%
CASH FLOW FROM FINANCING ACTIVITIES			
Issuance of share pursuant to private placement	-	13,613	-100%
Finance/(Repayment) of Hire-purchase	(1,454)	6,640	-122%
Repayment to joint venture	(9,676)	(569)	
Interest paid	(2)	(155)	-99%
Drawdown of borrowing	27,233	-	
Net cash generated from financing activities	16,101	19,529	-18%
Net change in cash and cash equivalents	(49,293)	29,975	-264%
Opening cash and cash equivalents	84,064	54,362	55%
Effect of exchange rate changes	1,579	(273)	
Closing cash and cash equivalents	36,349	84,064	-57%

NOTES TO THE QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with IAS 34 Interim Financial Reporting, MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements as at and for the year ended 31 December 2017.

The financial information presented herein has been prepared in accordance with the accounting policies used in preparing the audited financial statements as at and for the year ended 31 December 2017 under the Malaysian Financial Reporting Standards (MFRS) framework.

A2 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors in the oil and gas industry.

A3 Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income or cash flows in the interim financial report for the period ended 31 December 2018.

A4 Change in Estimates of Amounts Reported Previously

There were no changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect on the current interim financial period.

A5 Issues of Debt & Equity Securities

There were no issuance of debt and equity securities for the current financial period under review.

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A6 Dividends Declared or Paid

No dividend was declared or paid during the current financial quarter under review.

A7 Segmental Information

Segmental analysis for the current quarter is set out below:

Cumulative as at 31 December 2018	Products and Services RM'000	Engineered Packages RM'000	Total RM'000
Revenue	118,337	92,102	210,439
Segment results	2,588	7,150	9,738
Share of profit from joint venture			71
Finance cost			(1,596)
Profit before taxation			8,213
Taxation			2,614
Net profit from continuing operations			10,827
Net profit/(loss) from discontinued operations			-
Net profit for the year			10,827

Cumulative as at 31 December 2017	Products and Services RM'000	Engineered Packages RM'000	Total RM'000
Revenue	126,020	78,475	204,495
Segment results	1,842	8,012	9,854
Share of profit from joint venture			427
Finance cost			(473)
Profit before taxation			9,808
Taxation			(4,146)
Net profit from continuing operations			5,662
Net profit/(loss) from discontinued operations			-
Net profit for the year			5,662

A8 Events after the Interim Period

No material event was registered after the interim period which will materially affect the earnings or income of the Group.

A9 Changes in the Composition of the Group

On 05/12/2018, the Company's wholly owned subsidiary, T7 Solutions Sdn. Bhd. ("**T7 Solutions**") had received the Notice of Registration from the Companies Commission of Malaysia on the incorporation of TCM Intelligent System Sdn Bhd ("TCMIS").

TCMIS is incorporated with a share capital of RM100/- comprising 100 ordinary shares fully paid in the capital of TCMIS at which T7 Solutions has 100% shareholdings.

The intended principal activity of TCMIS is to be involved in information communication technology (IST) system security, other information technology service activities, research and development on information communication technology.

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A10 Capital Commitment

No capital commitments were recorded in the current quarter under review.

A11 Related Party Transactions

The followings table provides the total amount of transactions which have been entered into with related parties during the year ended 31 December 2018 and 31 December 2017 as well as balances with related parties as of 31 December 2018 and 31 December 2017.

	Sales to related parties	Purchases from related parties	Amount owing by related parties	Amount owing to related parties
	RM'000	RM'000	RM'000	RM'000
2018	7,820	3,329	1,361	-
2017	351	2,361	342	44

A12 Contingent Liabilities

There were no significant changes in contingent liabilities since the last annual statement of financial position date and there were no additional contingent liabilities reported in the current financial quarter ended 31 December 2018.

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B ADDITIONAL INFORMATION REQUIRED UNDER LISTING REQUIREMENTS

B1 Variance of Results Against Preceding Quarter

For the current year quarter ended 31 December 2018, the Group recorded consolidated revenue of approximately RM44.87 million as compared to RM52.75 million recorded in the preceding quarter ended 30 September 2018. In the current quarter under review, the Group recorded a net profit after tax of RM4.79 million as compared to a net profit after tax of RM2.12 million recorded in the preceding quarter ended 30 September 2018.

Engineered Packages

The Group registered revenue of RM12.90 million in the current quarter as compared to RM25.15 million registered in the preceding quarter ended 30 September 2018 decrease in revenue by approximately 48.71%.

Products & Services

The products and services division registered revenue of RM31.97 million in the current quarter as compared to RM27.60 million registered in the preceding quarter ended 30 September 2018 increase by approximately 15.83%.

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B2 Variance of Results Against Preceding Period

For the current period ended 31 December 2018, the Group recorded consolidated revenue of approximately RM210.44 million. This represents an increase of approximately 2.90% as compared to RM204.50 million recorded in the corresponding period ended 31 December 2017.

The increase in revenue by 2.90% was mainly due to contributions from the Origins and CWR contract secured from PETRONAS.

The Group registered an overall profit after tax of RM10.83 million for current period ended December 2018 as compared to net profit after tax of RM5.66 million in the preceding period ended 31 December 2017.

Engineered Packages

Revenue for the current period derived from the engineered packages division which consists of mainly gas generation packages and offshore equipment packages registered higher revenue of approximately RM92.10 million as compared to RM78.48 million registered in the preceding year. This represents an increase of approximately 17.35%.

Products & Services

The products and services division registered revenue of approximately RM118.34 million in the current period as compared to RM126.02 million registered in the preceding year decrease of approximately 6.09%.

B3 Current Year Prospects

Despite the challenges in the oil and gas industry, the Company will continue to focus in the oil and gas sector. At the same time, the Company will also look into new ventures for potential business growth.

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B4 Variance of Actual and Profit Estimates

The Group has not provided any profit forecasts and therefore no comparison is available.

B5 Taxation

	Individual Quarter		Cumulative Year	
	31/12/2018 RM'000	31/12/2017 RM'000	31/12/2018 RM'000	31/12/2017 RM'000
a. Income Tax Expenses	3,466	4,165	4,139	4,165
b. (Over)/under provision in previous year	-	96	230	96
c. Deferred Tax Liabilities/(Assets)	(5,291)	(636)	(6,983)	(115)
d. Total	(1,825)	3,625	(2,614)	4,146

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B6 Status of Corporate Proposal

On 26/12/2018, T7 Global Bhd ("T7") had announce that Bursa Malaysia Securities Berhad had, vide its letter dated 24 December 2018, resolved to grant an extension of time until 9 July 2019 for T7 to complete the Private Placement.

B7 Status of corporate proposal announced

a) The proposal of Private Placement exercise were announced on 1 November 2017, 9 November 2017, 14 November 2017, 16 November 2017 and 27 November 2017 has been fully completed on 28 November 2017.

Status of utilisation of proceeds

	Proposed Utilisation	Actual Utilisation	Balance to be utilised	Intended Timeframe for Utilisation
Working capital for projects:	RM'000	RM'000	RM'000	RM'000
Provision of manpower injection awarded by PRPC Utilities and Facilities Sdn Bhd	2,000	2,000	-	Within 12 months
Contract to supply, deliver, install, testing and commissioning battery system awarded by PTS Resources Sdn Bhd	5,000	5,000	-	Within 12 months
Supply of manpower awarded by Repsol Oil & Gas Malaysia Ltd	6,926	6,926	-	Within 12 months
Estimated expenses in relation to the Proposed Private Placement	100	100	-	Within 1 months
Total	14,026	14,026	-	

b) The proposal of Disposal of Entire Equity Interest in 7 New Market Street Holdings Limited were announced on 17 October and 21 December 2017 has been fully completed on 18 January 2018.

Status of utilisation of proceeds

	Proposed Utilisation	Actual Utilisation	Balance to be utilised	Intended Timeframe for Utilisation
Working capital for projects:	RM'000	RM'000	RM'000	RM'000
Provision of professional manpower by Sarawak Shell Berhad (Fircroft)	3,306	3,306	-	Within 12 months
Operational Reliability & Integrity Gauging Instrument based Safeguard Project awarded by Petronas Carigali Sdn Bhd	8,564	8,564	-	Within 12 months
Supply of manpower under an Umbrella Contract awarded by Repsol Oil & Gas	12,469	12,469	-	Within 12 months
Estimated expenses in relation to the Proposed Disposal	400	400	-	Immediate
General working capital	6,712	6,712	-	Within 1 months
Total	31,451	31,451	-	

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B8 Bank Borrowings

	31/12/2018	31/12/2017
	RM'000	RM'000
a) <u>Secured short term borrowings</u>		
i) Hire purchase and lease payables	26,368	7,685
Sub Total	26,368	7,685
a) <u>Secured long term borrowings</u>		
i) Hire purchase and lease payables	15,226	8,648
Sub Total	15,226	8,648
TOTAL BORROWINGS	41,594	16,333

B9 Material Litigation/ Special Notice

The Group is not engaged in any litigation, which has a material effect on the financial position of the Group, and the Directors are not aware of any proceedings pending or threatened or of any likely to give any proceedings which might materially and/or adversely affected the position or business of the Group.

B10 Dividend Declared or Paid

No dividend was declared or paid during the current quarter under review.

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B11 (Losses)/Earnings per share

	Quarter Ended		Period Ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Net (loss)/profit attributable to ordinary shareholders (RM'000)				
Continuing operations	4,783	1,887	10,827	5,662
Discontinued operations	-	-	-	-
	<u>4,783</u>	<u>1,887</u>	<u>10,827</u>	<u>5,662</u>
Basic				
Total number of ordinary shares ('000)	419,453	419,453	419,453	419,453
Adjusted weighted average number of ordinary shares ('000)	<u>412,565</u>	<u>404,340</u>	<u>415,744</u>	<u>385,387</u>
Basic (losses)/earnings per ordinary share (sen)				
Continuing operations	1.16	0.47	2.60	1.47
Discontinued operations	-	-	-	-
	<u>1.16</u>	<u>0.47</u>	<u>2.60</u>	<u>1.47</u>
Diluted				
Adjusted weighted average number of ordinary shares ('000)	412,565	404,340	415,744	385,387
Diluted (losses)/earnings per ordinary share (sen)				
Continuing operations	1.16	0.47	2.60	1.47
Discontinued operations	-	-	-	-
	<u>1.16</u>	<u>0.47</u>	<u>2.60</u>	<u>1.47</u>

Certain diluted earnings/(losses) per ordinary share are not presented, as the computation would result in anti-dilutive earnings per ordinary share.

B12 Qualification of Financial Statements

There was no qualification made on the preceding audited financial statements for the financial year ended 31 December 2017.

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